

EJ #422



OFFICE OF
THE TREASURY ATTACHÉ

UNITED STATES TREASURY DEPARTMENT

AMERICAN CONSULATE GENERAL

SHANGHAI, CHINA

January 14, 1939..

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Commissioner of Customs,
(Investigative Unit),
Treasury Department,
Washington, D. C.

JWB

Sir:

China ✓

There are enclosed for the information of the Bureau
and other interested Departments copies of a report entitled:
"Japanese Organizing Opium Merchants Union Under Cover of
Charity."

Respectfully,

Wm. McFarlane
For the Treasury Attaché

EMJ.G

Enc.

*Analing
Worlock*

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Shanghai, January 14, 1939.

JAPANESE ORGANIZING OPIUM MERCHANTS UNION

UNDER COVER OF CHARITY

The Japanese authorities are considering another way to guard against further international criticism of Japan's narcotization policy in China, according to information secured from circles in close touch with local opium merchants. The whole opium trade in the Japanese occupied areas in this part of China is to be covered by a network of "Charitable organizations" called the Hung Chi Shan Tang (宏濟善堂). This network is to have its headquarters in Nanking and branches in the provincial capitals of Kiangsu, Chekiang and Anhwei and Shanghai, and sub-branches in all the hsien districts. Opium merchants will form the main constituents of this society which will function as the former Special Business Society (特業公會) or the Opium Merchants Union. Incomes from opium trade will be partly appropriated for charitable purposes organized by

this society. The society will be controlled by a board of directors,
half of which will be Japanese and half Chinese. The Chairman will be a
Chinese, while a Japanese will be elected vice-chairman. The personnel
of the society and its branches and sub-branches will be selected by
Japanese authorities. Mr. Wang Shao-tseng (汪少丞), a well known
opium merchant here, has been prominently mentioned as possible chairman
of its Shanghai branch. This society, when established, will function
with the General Opium Suppression Bureau for Kiangsu, Chekiang and Anhwei
in the carrying out of an effective opium monopoly scheme in this part of
China. It is learned that the provisional office of this society's
branch in Shanghai has been established at Broadway Mansions and has begun
to function already.